



DatelineERS

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Economic Research Service

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ERS is a primary source of economic research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.



Commodity Markets and Trade

ERS Outlook reports provide timely analysis of major commodity markets and trade.

This Month

- Rice
- Feed
- Wheat
- Oil Crops
- Cotton and Wool
- Sugar and Sweeteners
- Livestock, Dairy, and Poultry
- Vegetables and Melons

All reports along with a calendar of future releases are available at:

www.ers.usda.gov/publications/outlook

What Does “Local Foods” Mean?

www.ers.usda.gov/Publications/ERR97

Local Food Systems: Concepts, Impacts, and Issues explores alternative definitions of local food, estimates market size and reach, describes the characteristics of local consumers and producers, and examines early indications of the economic and health impacts of local food systems. There is no consensus on a definition of “local” or “local food systems” in terms of the geographic distance between production and consumption. But defining “local” based on marketing arrangements, such as farmers selling directly to consumers at regional farmers’ markets or to schools, is well recognized. Statistics suggest that local food markets account for a small, but growing, share of U.S. agricultural production. For smaller farms, direct marketing to consumers accounts for a higher percentage of sales than for larger farms. Findings are mixed on the impact of local food systems on local economic development and better nutrition levels among consumers, and sparse literature is so far inconclusive about whether localization reduces energy use or greenhouse gas emissions.



Local Foods Moving From Farm to Fork

www.ers.usda.gov/Publications/ERR99

Comparing the Structure, Size, and Performance of Local and Mainstream Food Supply Chains reviews a series of coordinated case studies comparing the structure, size, and performance of local food supply chains with those of mainstream supply chains. These interviews and site visits with farms and businesses, supplemented with secondary data, describe how food moves from farms to consumers in 15 food supply chains.

Key comparisons include the degree of product differentiation, diversification of marketing outlets, and information conveyed to consumers about product origin. The cases highlight differences in prices and the distribution of revenues among supply chain participants, local retention of wages and proprietor income, transportation fuel use, and social capital creation.



Farm Act's Regional Equity: Impacts on Conservation Programs

www.ers.usda.gov/Publications/ERR98

The 2002 and 2008 Farm Acts increased funding for conservation programs that provide financial assistance to farmers to implement conservation practices on working farmland. Along with seeking cost-effective environmental benefits, these programs have a goal of spreading conservation funding equitably across States. The 2002 and 2008 Farm Acts strengthened this allocative goal by setting a minimum threshold for conservation funding for each State—one that exceeds historical funding for some States. *The Farm Act's Regional Equity Provision: Impacts on Conservation Program Outcomes* examines evidence of the impacts of the Regional Equity provision of the 2002 Farm Act, and explores the tradeoffs that can occur among conservation program goals when legislation gives primacy to fund allocation. The study found that cross-State shifts in funding reduced the acres receiving conservation treatment for many resource problems, but increased the net economic benefits from treatments on some of them. Overall impacts on the types of producers enrolled were small.

Are Coupons Best to Encourage Fruit and Vegetable Consumption?

www.ers.usda.gov/publications/err96

The U.S. Department of Agriculture administers food and nutrition assistance programs that promote fruit and vegetable consumption. But consumption remains relatively low among program recipients as well as among the general U.S. population. The perceived high cost of produce is often cited as a deterrent to more consumption.

Promoting Fruit and Vegetable Consumption: Are Coupons More Effective than Pure Price Discounts? looks at coupons and price discounts, two methods of lowering the cost of fruits and vegetables. Coupons influence consumer behavior through a price-discount effect and an informational/advertising effect. Because of this dual effect, the use of a coupon to increase fruit and vegetable purchases may be more effective than a pure price-discount policy or other noncoupon promotion.



Next-Generation Biofuels: Near-Term Challenges and Implications for Agriculture

www.ers.usda.gov/Publications/BIO0101

Next-generation biofuels refer to biofuels made using advanced technologies that greatly expand the potential to use widely available biomass. Next-generation U.S. biofuel capacity should reach about 88 million gallons in 2010, thanks in large measure to one plant becoming commercially operational in 2010, using noncellulosic animal fat to produce green diesel. U.S. production capacity for cellulosic biofuels is estimated to be 10 million gallons for 2010, much less than the 100 million gallons originally mandated by the 2007 Energy Independence and Security Act. Near-term sector challenges include reducing high capital and production costs, acquiring financial resources for precommercial development, developing new biomass supply arrangements (many of which will be with U.S. farmers), and overcoming the constraints of ethanol's current 10-percent blending limit with gasoline.

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